



# **CLASSIFIED EMPLOYEE PAY FOR PERFORMANCE PLAN**

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## **MORGAN COMMUNITY COLLEGE CLASSIFIED PERFORMANCE PAY PLAN AND PROCEDURES**

### **OVERVIEW AND PURPOSE:**

The Morgan Community College performance pay plan for Classified employees is developed in accordance with CRS 24-50-104(1)(c) (IV), enacted by the Colorado General Assembly as part of SB 00-211. The purpose of this plan is to promote employee excellence at Morgan Community College. This plan was developed using guidance from General Support Services and Community Colleges of Colorado and input from a working group made up of classified employees and classified supervisors as selected by the classified staff of MCC.

Performance management refers to the whole process of bringing out the best efforts of people and directing those efforts toward meeting the goals of the College. There are two primary components of Pay for Performance. The first is performance management and the second is performance-based pay. (awarding pay increases more directly tied to the employee's level of demonstrated performance). Two factors are critical throughout the performance management process: *communication* between supervisor and employee, and *documentation of planning, reviewing, and evaluating*. Morgan Community College will require employees and supervisors to work *collaboratively* on performance planning and evaluation.

### **PERFORMANCE MANAGEMENT:**

Employee performance evaluation is the process of assessing and summarizing the work performance of an employee. Each classified employee must receive a written performance evaluation at least annually.

#### **EVALUATION PERIOD**

All employees will be evaluated using the period from April 1<sup>st</sup> to March 31<sup>st</sup> of each fiscal year. Completed evaluations need to be turned in to Human Resources no later than April 15<sup>th</sup>.

## EVALUATION TOOL

All employees will be evaluated using the MCC Performance Planning and Evaluation Form. (See attachment). The evaluation process and tool will contain the Uniform Statewide Core Competencies as defined by the State Personnel Director upon which all employees will be evaluated. Performance will be rated using four levels as defined in the plan. Although the supervisor is ultimately responsible for developing an employee performance plan within established guidelines, the supervisor and employee need to work together to develop it and complete all 3 phases of the evaluation process including planning, progress review, and the year-end evaluation. This includes determining major job duties, goals, and expectations which align with both departmental and MCC goals. The progress review phase should be used to provide documentation of required coaching and feedback between the employee and the supervisor. This will allow the employee and supervisor to communicate regarding performance expectations and goal completion. Coaching and feedback should be continuous throughout the evaluation period. Multi-source assessment processes for evaluation of staff may be used during the process when appropriate. Teamwork may be used as a measure in an employee's individual performance plan.

## REVIEW OF EVALUATION BY HIGHER LEVEL

Employees will be evaluated annually and rated based on their performance. The supervisor's evaluation of the employee's performance must be reviewed and signed by the next higher level supervisor prior to reviewing it with the employee to monitor the quality and consistency of performance ratings within the department before final overall ratings are provided to employee. No quotas or forced distribution processes will be established.

## SUPERVISOR RESPONSIBILITY

The supervisor is responsible for planning and evaluating an employee's job performance. If the supervisor fails to plan and/or evaluate an employee's job performance, a reviewer (usually the next level supervisor) is responsible for completing the plan or evaluation. If the reviewer fails to plan or evaluate in a timely manner, the reviewer's supervisor is responsible for completing the plan/evaluation. This process continues up the chain of command to the President of the College until the plan/evaluation is completed as required by law. All supervisors will have a provision in their evaluation process that includes the effectiveness of their evaluation of their subordinates. All supervisors are subject to the sanctions imposed by CRS 24-50-118 (requirement for increments of 5-day suspension) for a supervisor's failure to plan or evaluate their staff in a timely manner. In addition, classified supervisors who do not complete timely plans and evaluations are not eligible for performance awards.

## PHASE ONE - PLANNING

Performance Plans are to be completed collaboratively by the employee and supervisor and turned in to Human Resources no later than April 30<sup>th</sup>. For new employees, the performance plan is to be completed within 30 days of hire. A concerted effort will be made on the part of all supervisors to align employee plans to goals and objectives of Morgan Community College.

The Supervisor will complete the information required on the first page in the shaded area.

At the beginning of the evaluation period, the supervisor and employee will meet and collaboratively determine the factors on which the employee will be evaluated and rated for that evaluation cycle. This meeting will include the discussion of the Uniform Statewide Core Competencies (mandated and determined by the State Personnel Director), and the discussion and establishment of major job responsibilities and goals and the importance of each to the overall evaluation.

In addition, at the beginning of the planning phase, the employee and supervisor will review the Position Description Questionnaire (PDQ). The PDQ should reflect the current duties and responsibilities of the position and any modifications should be discussed at this time.

### Uniform Statewide Core Competency Factors

Each employee will be evaluated on the Uniform Statewide Core Competency factors: Communication, Interpersonal Skills, Customer Service, Accountability, and Job Knowledge.

### Duties and Goals Factors

The employee and supervisor will list up to five major job duties AND list up to five goals for which the employee is responsible. Individual goals should be aligned with departmental and college goals and objectives as well as encourage the employee's professional growth.

### Supervisor Planning Comments

The supervisor is required to complete "Supervisor Planning Comments" on the last page. Both the employee and supervisor will sign in the space provided in the "Supervisor Planning Comments" section to indicate agreement of the plan. A copy should be made for the employee.

## PHASE TWO - PROGRESS REVIEWS

The supervisor and employee will meet to discuss the employee's performance, to determine whether any part of the performance plan needs to be revised, and to discuss the employee's performance in relation to the factors on which the employee will be evaluated. In addition, the supervisor shall provide ongoing coaching and feedback throughout the year.

### Supervisor Progress Review Comments

The supervisor will complete the "Supervisor Progress Review Comments" section on the last page. The supervisor and the employee will sign in the space provided in the "Supervisor Progress Review Comments" section to indicate that the progress review has taken place.

All progress review sessions must be completed and the Performance Planning and Evaluation Form signature page shall be submitted to Human Resources by October 31<sup>st</sup> of each fiscal year or more often as deemed necessary by the supervisor.

## PHASE THREE - YEAR-END EVALUATION

The year-end evaluation shall be in written form and completed for a period of April 1<sup>st</sup> through March 31<sup>st</sup> of each year and more often if deemed necessary by the supervisor. If a supervisor has an employee with three months or less experience in a position, an abbreviated overall rating is allowed based on the employee's performance to date. The employee's final overall evaluation rating will determine the percentage of salary amount of a performance award.

The supervisor will meet with the employees as part of the evaluation process to discuss results over the performance cycle. Both the employee and supervisor should prepare for this meeting. Given coaching and feedback throughout the cycle, there should be no surprises. The final overall rating is not given at this time. The supervisor should consider all information with a recommended rating and provide the form to the next level reviewer.

### Review of evaluation by higher level

The next level supervisor will review the employee's evaluation. This is to be accomplished before the final evaluation is given to the employee by the immediate supervisor.

## RATINGS

The supervisor will complete the rating of each factor using one of the following rating levels:

### **LEVEL 1**

**NEEDS IMPROVEMENT:** Performance falls short of the standards established for the job. Work may be of variable quantity and quality or may be consistently short of the mark. Goals are not consistently achieved.

### **LEVEL 2**

**FULLY COMPETENT:** Performance fully satisfies the requirements of the job. Quality and quantity of work meet requirements of the job. Goals and expected results are achieved or slightly exceeded.

### **LEVEL 3**

**EXCEEDS  
EXPECTATIONS:**

Quality of work is convincingly better than established standards or expectations. Goals and expected results are convincingly exceeded.

### **LEVEL 4**

**MERITORIOUS:**

The meritorious level is unique and difficult to achieve because it represents consistently exceptional performance or achievement beyond the regular assignment. This rating is given to the employees whose performance is meritoriously sustained when compared to the overall job requirements and expectations.

## Supervisor Comments For Each Rating

Supervisors are encouraged to write comments to justify each rating assigned to each factor. If any of the uniform statewide core competencies, job duties, or goals factors are rated “Needs Improvement” or “Meritorious”, the supervisor shall explain the reason for the rating in the comments section for that individual factor.

### Level 1, Needs Improvement Rating

An overall rating of Level 1, Needs Improvement will result in a performance improvement plan or a corrective action with a reasonable time to improve. If performance is still unsatisfactory at the time of re-evaluation under a corrective action, disciplinary action may be taken. A performance improvement plan is not a corrective action and cannot be considered in a corrective or disciplinary actions. A performance improvement plan should include the following components:

- a. Supervisor and employee meeting to agree to developmental areas
- b. A specific statement outlining the unacceptable performance
- c. Specific performance changes (for both supervisor & employee)
- d. Expected deadlines for performance changes
- e. Dates for follow-up meetings to review progress
- f. Consequences for failure to improve (i.e. corrective action)

### Supervisor Completes Overall Evaluation Section

The supervisor will complete the “Overall Evaluation Section” on the last page, and the “Supervisory Overall Evaluation Justification for the Rating”. The supervisor should sign the form.

### Review By Next Level Supervisor

The supervisor shall obtain the signature of the next level supervisor prior to releasing the evaluation and rating to the employee. The Supervisor will then meet with the employee to discuss the evaluation. The employee should sign the form. The employee may also complete the “Comments from Employee” section on the last page.

### Default Rating

If the employee has no plan and/or no evaluation, the employee will receive a default rating of “fully competent”. The default rating is given until the employee is given a final evaluation.

## CUSTODIAN OF RECORDS

The Human Resources Office shall be the official custodian of the Performance Evaluation forms. The *original completed, signed* Performance Planning and Evaluation Form will be sent to Human Resources on or before April 15th. All evaluations will be placed in each individual personnel file for record keeping purposes. The supervisor and employee should keep a copy of the completed Performance Planning and Evaluation Form.

## EMPLOYEE DISAGREEMENT WITH PLAN OR EVALUATION

If the employee disagrees with the performance plan or evaluation, he/she should discuss the problem with the immediate supervisor. The employee may express the disagreement in the "Comments from Employee" section or attach a separate sheet of paper which shall be kept with all copies.

If the employee refuses to sign the evaluation, the supervisor should so note and indicate the date the employee refused to sign. This notation should be on the line designated for the employee signature.

## **BUDGET ALLOCATION AND AWARD DISTRIBUTION:**

Morgan Community College's Pay for Performance award decisions are separate, but directly linked to, the performance evaluations.

### ALLOCATION

The Appointing Authority will make pay decisions based on evaluations completed by supervisors and reviewers. The Appointing Authority will announce, prior to awards being issued, that the awards for employees whose salaries are below the maximum for their pay range will ALL be base building or non-base building. Annual performance awards will be a percentage of salary based upon a statewide common effective date of July 1. Length of State service and source and method of funds are not factors considered in determining awards. Awards are subject to funding and no award is guaranteed.

Allocation of performance pay will come from a pool of funds referred to as the merit pool. For the first year, the merit pool will be calculated based on the funding that would otherwise go toward paying for existing anniversary increases. For subsequent years the merit pool will be calculated based on a figure or formula provided by State Board for Community Colleges and Occupational Education (SBCCOE), Community Colleges of Colorado (CC of C), Joint Budget Committee (JBC), or the appropriate regulatory agency.



## ALLOCATION CONTINUED

The President and Appointing Authority are responsible for determining equitable allocation and overseeing the quality of the performance pay program. The following allocation grid defines award parameters:

<b>RATING</b>	<b>Below Range Maximum</b>	<b>At Range Maximum</b>
	<b>Performance Increase</b>	<b>Performance Increase</b>
Level 1 – Needs Improvement	0%	0%
Level 2 – Fully Competent	X% Must be greater than 0%	0%
Level 3 – Exceeds Expectations	Y% Must be greater than Fully Competent amount	0%
Level 4 – Meritorious	Z% Must be greater than Exceeds Expectations amount	Up to Z% Non-base building only

@ Value of X and Y will be based on the money in the merit pool and directives from the President and Appointing Authority.

\* Value of Z to be set by State Personnel Director

## PERFORMANCE AWARDS ELIGIBILITY

### LEVEL 1 – NEEDS IMPROVEMENT

- Employee is not eligible for any type of performance award.
- A “Needs Improvement” rating will result in a corrective action.

## PERFORMANCE AWARDS ELIGIBILITY CONTINUED

### LEVEL 2 – FULLY COMPETENT

- A “Fully Competent” employee with a base salary below range maximum is eligible for a percentage of salary award which may be base building, non-base building, or a combination of both.
- No base building award or a combination of awards can be granted that results in a base salary that exceeds the pay range maximum.
- The minimum award for Level 2, Fully Competent shall be greater than zero. The maximum award shall be less than the minimum award set for Level 3.
- An employee cannot be granted an award or combination of awards greater than the performance award maximum.
- If base salary is at or above range maximum, the Level 2 employee is not eligible for any base building, non-base building, or combination of both salary awards for the year.
- The use of non-salary incentives currently available will be encouraged to supplement performance awards . A “Fully Competent” employees is eligible for non-salary incentives regardless of his/her position in the pay range.
- Awards are subject to available funding and are not guaranteed.

### LEVEL 3 – EXCEEDS EXPECTATIONS

- An “Exceeds Expectations” employee with a base salary below range maximum is eligible for a percentage of salary award which may be base building, non-base building, or a combination of both.
- No base building award or combination of awards may be granted that results in a base salary that exceeds the pay range maximum.
- The minimum award for Level 3, Exceeds Expectations shall be greater than the maximum of Level 2. The maximum of Level 3 shall be less than the minimum award set for Level 4.
- An employee cannot be granted an award or combination of awards greater than the performance award maximum.
- If base salary is at or above range maximum, the Level 3 employee is not eligible for any base building, non-base building, or combination of both salary awards for the year.
- The use of non-salary incentives currently available will be encouraged to supplement performance awards . An “Exceeds Expectations” employee is eligible for non-salary incentives regardless of his/her position in the pay range.
- Awards are subject to available funding and are not guaranteed.

## PERFORMANCE AWARDS ELIGIBILITY CONTINUED

### LEVEL 4 – MERITORIOUS

- An “Meritorious” employee with a base salary below range maximum is eligible for a percentage of salary award which may be base building, non-base building, or a combination of both.
- No base building award can be granted that results in a base salary that exceeds the pay range maximum.
- Only Level 4 performers may, at the sole discretion of the appointing authority, be granted a one-time non-base building award that results in a dollar amount above the pay range maximum. Non-base building awards must be re-earned annually.
- The minimum of Level 4, Meritorious our shall be greater than the maximum of Level 3. The maximum of Level 4 is the maximum percentage set annually by the State Personnel Director.
- The use of non-salary incentives currently available will be encouraged to supplement performance awards . An “Meritorious” employee is eligible for non-salary incentives regardless of his/her position in the pay range.
- Awards are subject to available funding and are not guaranteed.

### TIMING OF AWARD PAYMENTS

- Base building awards will be spread evenly over the award period and paid as part of the monthly salary.
- Base building awards are applied after any salary survey adjustment.
- Non-base building awards will be paid in one lump sum on next available payroll.
- Non-base building awards must be re-earned annually.
- Employees must still be employed on July 1 to receive performance awards.
- Award payouts for new hires shall be prorated based on the date of hire, specifically 1/12 of the full award for each month worked.

### FIRST YEAR TRANSITION

(First Year Transition (effective July 1, 2001) as required by the Performance Pay Program Executive Committee appointed by the Governor).

The first year will be considered a transition year to the pay for performance system. MCC will budget an amount equal to what would have been required to fund anniversary increases for performance awards. Employee awards during the first year transition will be calculated using the statewide employee based annualization process. In subsequent years, this calculation will not be necessary because the funding available for performance awards will not be limited by the need to annualize anniversary increases.

## FIRST YEAR TRANSITION CONTINUED

All employees need to be moved to common evaluation and pay dates. MCC presently has a common evaluation date but not a common pay date. A common pay date means that those who were budgeted for less than twelve (12) months of anniversary increases will be eligible for the full twelve (12) months of a performance award. A portion of the anniversary funding will be used to move all employees to the common pay date which leaves less for performance awards the first year. As stated by the Executive Committee, "No perfect solution exists for implementing this preferred payment cycle."

For the first year transition to a common pay date, departments and higher education institutions are to use an individual, employee-based annualization process. Awards for each level of performance would be specified as a percentage of salary. In the first year of system implementation, this percentage would be calculated by first determining the award percentage as in any other year. Then each individual's actual dollar award would be calculated based on their anniversary date. That dollar amount would then be spread over an entire year (12 months) instead of only the months after the employee's anniversary date. The formula for this calculation is as follows:

1. Employee's monthly base salary times award percentage times number of months after the anniversary date = dollar amount of first year performance award.
2. Dollar amount of first year performance award divided by 12 = monthly performance award.
3. Monthly performance award divided by employee's monthly base salary = first year performance award percentage.

## NOTIFICATION OF AWARDS

- Written notice of awards will be provided to the employee by July 1<sup>st</sup> of each year subject to budget allocation.

## REPORTING REQUIREMENTS

- Morgan Community College will comply with the reporting requirements as specified by the State Personnel Director.

**DISPUTE RESOLUTION PROCESS:**

- The Community Colleges of Colorado will utilize one common dispute resolution process. (See Dispute Resolution Plan attached).

**TRAINING AND COMMUNICATION:**

Training efforts have been coordinated with General Support Services Training Division. Classified employees and supervisors underwent approximately eight hours of training on the Colorado Performance Pay System by a GSS professional trainer in 1999. Morgan Community College will continue to provide mandatory training to both employees and supervisors to keep current on the plan. The orientation program will include pertinent information on aspects of the performance pay program including supervisor and employee roles and responsibilities under the performance pay program. Employees will be informed of the Pay for Performance plan from meetings, training, and e-mail communications.

Supervisors and employees will participate in a mandatory performance management training sponsored by GSS and MCC's Professional Development in 2002. Training will focus on the pay for performance policies and processes, performance management, performance based pay and dispute resolution.

**PLAN EVALUATION:**

This plan will be evaluated and may be modified as deemed necessary. Modifications may be made due to changes in state guidelines and System guidelines. Recommendations from employees and/or supervisors using the plan will be reviewed by a working group of classified employees. Final recommendations will be submitted to the Appointing Authority and President.